

PEBB *Perspective*

Washington State
Health Care Authority
Public Employees Benefits Board

Important Dates

October 24 – November 30

2006 open enrollment—your chance to change medical and/or dental plans, and add family members to your coverage.

October 25

Open enrollment benefits fairs begin. Look for the schedule with **added locations** in this issue!

November 22

Last day to request an open enrollment booklet.

November 30

Open enrollment ends—last day to make changes using e-Coverage or the enrollment form.

Washington State
Health Care Authority
Steve Hill
Administrator

Public Employees
Benefits Board
1-800-200-1004
360-412-4200
www.pebb.hca.wa.gov

To obtain this document in another format or to request special accommodations, call our Americans with Disabilities Act (ADA) Coordinator at 360-923-2805. TTY users (deaf, hard of hearing, or speech impaired), call 360-923-2701 or toll-free 1-888-923-5622.

HCA 50-658 (10/05)

Open enrollment starts October 24 – make your 2006 plan changes online until November 30

During the Public Employees Benefits Board's (PEBB) open enrollment period (October 24 - November 30), you can go online any time to make account and/or plan changes quickly and conveniently.

Remember, if you don't want to change medical or dental plans, and your medical plan is still available in 2006, you don't need to do anything! You will automatically continue with the same plans, and your family's coverage will stay the same.

Where can I find the information I need?

Starting in mid-October, you can find **additional information on changes to your 2006 coverage**—including benefits and the plans available in your county—on the PEBB's Web site at www.pebb.hca.wa.gov.

Premiums are changing January 1, 2006, so even if you don't plan to make changes you should review the new rates.

How can I find providers, hospitals, and pharmacies with my plan?

You can go to the **Provider Directory** on PEBB's Web site to find a primary care provider, women's health care provider, hospital, or pharmacy that contracts with your plan. If you're changing medical



plans, you'll also find the physician/clinic code for your provider, clinic, or care system as required on e-Coverage (see below) or the *2006 Employee Enrollment/Change* form (available on PEBB's Web site or from your personnel, payroll, or benefits office).

Before choosing a provider from the online Provider

Directory, call the medical plan to verify:

- Provider availability in your county;
- A provider's participation with the plan to serve PEBB members; and
- That a provider is accepting new patients.

How can I make plan changes?

If you wish to change your medical or dental plan for 2006, waive coverage, or reinstate coverage for an eligible family member who previously waived, you can go to PEBB's Web site to use e-Coverage.

If you change your mind, you can change your selections through the last day of open enrollment. The last changes received by PEBB on November 30 will be your final selection for 2006. Changes will be effective January 1, 2006.



This is your *only* 2006 open enrollment notice.

Please read this carefully to become familiar with your benefits options.

For more information and to make changes to your 2006 coverage, go to
www.pebb.hca.wa.gov
or call 1-866-577-2793 (October 24 - November 22)
to request a booklet with an enrollment form.

We appreciate your patience during open enrollment!

During open enrollment, we receive approximately three times as many phone calls as the rest of the year. If our benefits specialists are helping other members when you call, please be patient. A benefits specialist will answer your call as soon as possible.



For more information or to make changes to your 2006 coverage, go to www.pebb.hca.wa.gov.

Changes to your 2006 coverage

Open enrollment is your once-a-year opportunity to change health plans and add eligible family members to your coverage.

Benefit changes

There are several changes to the UMP PPO and UMP Neighborhood benefits. Please note that some changes apply to one plan and not the other:

- A one-time \$30 premium rebate for healthy lifestyle and use of preventive care services (new).
- Elimination of annual medical/surgical deductible (UMP Neighborhood only).
- Annual eye exams (currently one exam every two years).
- Network services in Washington and all other states will be reimbursed at 90 percent of the allowed amount (current UMP reimbursement for network services in other states is 80 percent; applies to UMP PPO only).

- An increase in the annual out-of-pocket maximum to \$1,500 per individual and \$3,000 per family (currently \$1,125 per individual, \$2,250 per family).
- A separate 16-visit limit on massage therapy treatments (currently included with the physical, occupational, and speech therapy benefit, with a 60-visit limit).
- Plan payment of 90 percent for Tier 1 (generic) prescriptions filled at retail pharmacies (currently 80 percent).
- Enrollee cost-sharing limit increased to \$75 per 30-day supply of Tier 1 (generic) and Tier 2 (preferred brand-name) prescriptions filled at network retail pharmacies (current limit is \$50).
- Enrollee copayment increased to \$100 for up to a 90-day supply of Tier 3 (nonpreferred brand-name) prescriptions filled through mail order (currently \$80).

New medical plan premiums

Medical plan premiums have changed. Please see the "2006 monthly premiums" on the following page.

Rule changes

Approved changes to the following rules have been incorporated into benefits communications materials:

- When a health plan becomes unavailable (see Washington Administrative Code (WAC) 182-08-196;
- When enrollees may change plans (see WAC 182-08-198);
- Employees continuing PEBB insurance during a dismissal appeal (see WAC 182-12-148); and
- Eligibility for students and dependents with disabilities (see WAC 182-12-260).

For more information, go to HCA's Web site at www.hca.wa.gov or read the full text of the revised rules on the Office of the Code Reviser's Web site at slc.leg.wa.gov.

2006 monthly premiums

School-district employees and employees who work for a city, county, port, water district, hospital, etc. need to contact their personnel, payroll, or benefits office to find out their monthly premiums.

PEBB Medical Plans	Employee	Employee & Spouse*	Employee & Child(ren)	Employee, Spouse, & Child(ren)*
Community Health Plan of Washington	\$ 73	\$155	\$ 127	\$210
Group Health Cooperative	51	113	90	151
Group Health Options, Inc.	98	205	171	278
Kaiser Foundation Health Plan of the Northwest	55	120	96	161
PacifiCare of Washington, Inc.	131	272	230	371
Regence BlueShield	136	282	238	385
UMP Neighborhood	12	34	21	43
Uniform Medical Plan PPO	14	38	25	49

*or qualified same-sex domestic partner

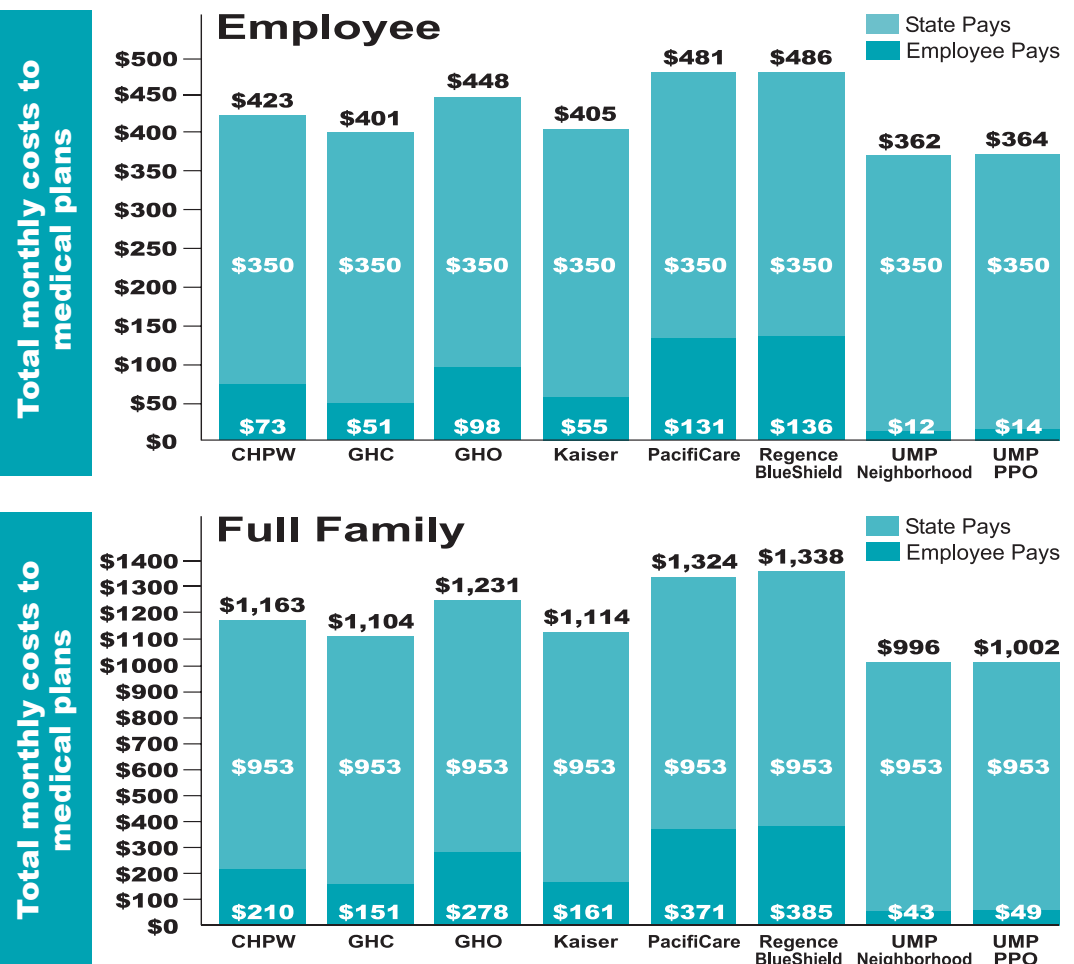
How much PEBB coverage really costs in 2006

While the rate of increase in health care costs has slowed slightly in the last few years, costs continue to rise and PEBB's 2006 costs also will increase.

To the right, you'll see how much your PEBB medical coverage will cost next year. Some employees' premiums will cost less in 2006; many will cost more. **However, the state will absorb much of the plans' increases for 2006, and continue to pay the majority of your PEBB coverage as a benefit of employment.**

For 2006, the overall cost of providing employees' and non-Medicare retirees' health coverage will rise 8 percent. These tables show how much is paid to the plans—by you and the state.

Please note: Dental, basic life, and basic long-term disability coverage will continue to be covered at no cost to you in 2006.

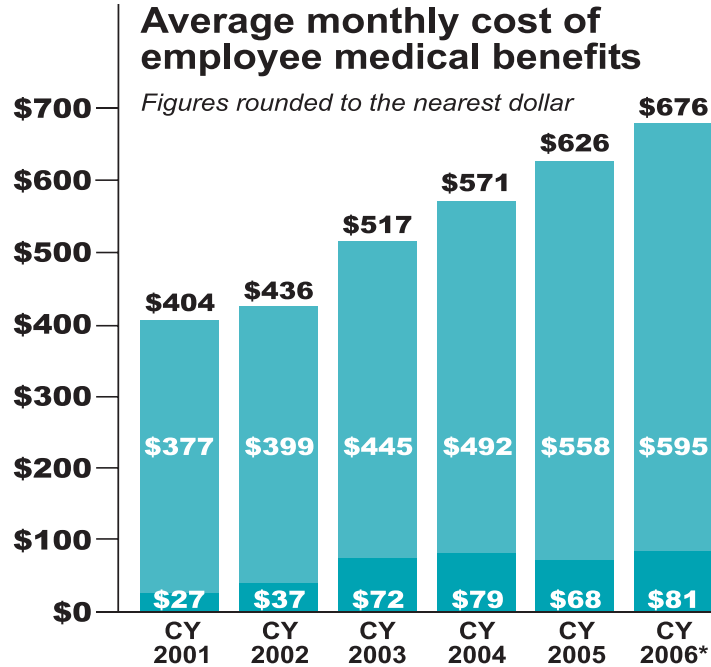


History of state v. employee costs

The table on the right shows a history of what the state has paid toward employees' medical coverage versus what employees have paid. These figures represent a weighted average, based on how many family members are enrolled on the account and how many employees are currently enrolled in each medical plan (based on April 2005 enrollment).

State monthly premium (weighted average)

Employee monthly premium (weighted average)



*Based on employee medical plan enrollment in April 2005. These figures are subject to change after medical plan selections are made for 2006.

Questions and answers

This newsletter contains important information about changes to your PEBB coverage for 2006. Here are some answers to typical questions about the changes.

How does PEBB determine the “average” employee monthly premium?

The average employee monthly premium is based on two factors:

- How many family members are enrolled on the account (employee only, employee and spouse, employee and child[ren], or full family); and
- How many employees are currently enrolled in each medical plan (based on April 2005 enrollment).

When the Board voted on the medical plan rates for 2006, the \$81 average employee monthly premium included these two factors as of April 2005. After open enrollment when the final medical plan selections are made, this average figure may increase or decrease, depending on changes to the average number of enrolled family members or medical plan enrollment.

Why did my premium increase so much when other plan premiums have decreased?

Each medical plan's monthly premium is determined by PEBB claims data from 2004 and early 2005, and the anticipated cost risks based on current enrollment. Also, there are

differences in how each plan is administered, from how much it pays its providers to how much it costs to run its operations.

When evaluating medical plans' rates, the PEBB and its actuaries look at each plan's financial statements (as reported annually to the Office of the Insurance Commissioner), administrative costs, and other factors. If the HCA determines that a plan's rate is too high, then it negotiates with the plan to seek a lower rate.



For more information or to make changes to your 2006 coverage, go to www.pebb.hca.wa.gov.

Benefits fairs schedule

For more information on PEBB health plans, attend a benefits fair in your area. The times and places are listed below. Maps to the benefits fairs are available online at www.pebb.hca.wa.gov.

Bellingham

November 15, 2005

10 a.m. – 2 p.m.

Western Washington University
Viking Union
Multipurpose Room
516 High Street

Bremerton

October 31, 2005

10 a.m. – 2 p.m.

Olympic College
Bremer Student Center
North and South
Conference Rooms
1600 Chester Avenue

Cheney

November 2, 2005

10 a.m. – 2 p.m.

PUB Multipurpose Room
Elm Street

Ellensburg

October 26, 2005

10 a.m. – 2 p.m.

Kittitas County Fairgrounds
Fine Arts Building
512 North Poplar

Everett

November 4, 2005

10 a.m. – 2 p.m.

Everett Community College
Jackson Center
Jackson Conference Room
2000 Tower Street

Lacey

November 7, 2005

10 a.m. – 2 p.m.

St. Martin's University
Worthington Conference Center
5300 Pacific Avenue SE

Longview

November 9, 2005

10 a.m. – 2 p.m.

Lower Columbia Community College
Student Center
1600 Maple

Moses Lake

November 3, 2005

10 a.m. – 2 p.m.

Big Bend Community College
1800 Building Room C/D
7662 Chanute Street NE

Mount Vernon

November 16, 2005

10 a.m. – 2 p.m.

Skagit Valley Community College
Student Lounge
2405 East College Way

Olympia

November 3, 2005

10 a.m. – 2 p.m.

Dept. of Transportation
Lobby
310 Maple Park

Pasco

November 7, 2005

10 a.m. – 2 p.m.

Pasco Red Lion Hotel
Olympic Room
2525 North 20th Avenue

Port Angeles

November 1, 2005

10 a.m. – 2 p.m.

Peninsula College
Room J-47
1502 East Lauridsen Boulevard

Pullman

November 9, 2005

10 a.m. – 3 p.m.

Washington State University
French Administration and
Lighty Building
Stadium Way & Wilson Road

Seattle

October 25, 2005

10 a.m. – 4 p.m.

University of Washington
UW Medical School &
Health Sciences Lobbies
1959 Northeast Pacific

October 26, 2005

10 a.m. – 4 p.m.

UW Seattle Campus
Student Union Bldg. (HUB)
West Ballroom
Stevens Way

October 27, 2005

10 a.m. – 4 p.m.

Harborview Medical Center
Research & Training
Building, 1st Floor
325 Ninth Avenue

Shoreline

November 2, 2005

10 a.m. – 2 p.m.

Shoreline Conference Center
Shoreline Room
18560 1st Avenue NE

Spokane

November 1, 2005

10 a.m. – 2 p.m.

Spokane Falls Community College
Student Union, Building 17
Lounge A, B, C
3410 West Fort George Wright Drive

Tacoma

November 18, 2005

10 a.m. – 2 p.m.

Tacoma Community College
Student Center, Building 11
6501 South 19th Street

Tumwater

November 14, 2005

10 a.m. – 2 p.m.

Labor & Industries Auditorium
7273 Linderson Way SW

Walla Walla

November 8, 2005

10 a.m. – 2 p.m.

Walla Walla Community College
Conference Center 185
Rooms A, B & C
500 Tausick Way

Wenatchee

October 27, 2005

10 a.m. – 2 p.m.

Red Lion Wenatchee
Columbia Room
1225 North Wenatchee Avenue

Yakima

October 25, 2005

10 a.m. – 2 p.m.

Yakima Clarion Hotel
Wapato Room
1507 North 1st Street

Vancouver

November 10, 2005

10 a.m. – 2 p.m.

Clark College
Gaiser Student Center
1800 East McLoughlin Boulevard

New for 2006!

This year, Health & Wellness Fairs will be offered in conjunction with all PEBB-sponsored benefits fairs. Health plan representatives at the Health & Wellness Fairs will provide educational and/or preventive services at little or no cost, as well as talk about how to take advantage of the plans' preventive care benefits and wellness opportunities. Community health resources will also be featured.

Reminders about choosing a provider

- Call the medical plan you choose for 2006 to verify that your provider(s) will be participating with the plan to serve PEBB members.
- If your doctor, dentist, or health care facility discontinues participation in your plan, you may not change plans until the next open enrollment period, **with coverage effective the first of the following year.**
- Both the Uniform Dental Plan and DeltaCare are administered by Washington Dental Service. If you choose one of these plans, be sure that you choose a WDS-contracting dentist who participates with your plan.

You may find PEBB's existing laws in chapter 41.05 of the Revised Code of Washington (RCW), and rules in chapters 182-04, 182-08, 182-12, 182-13, and 182-16 of the Washington Administrative Code (WAC) online at slc.leg.wa.gov.

**This is the ONLY open enrollment
notice you will receive!
PEBB open enrollment is
October 24 - November 30, 2005**